

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. TF-03-196
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ORDER APPROVING TARIFF

(Issued July 10, 2003)

On June 13, 2003, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) a proposed tariff, identified as TF-03-196, that would eliminate MidAmerican's current practice of charging a customer for the remaining life value (RLV) of an overhead line when the customer converts an overhead to an underground line. No objections to the proposed tariff were filed.

In support of its proposed tariff, MidAmerican stated that it would provide consistent treatment to a customer who converts an overhead line to an underground line when compared to a customer who relocates or upgrades an overhead line. This consistency is important because in some instances it is difficult to distinguish between a conversion, relocation, and upgrade, and a particular project may have attributes of all three.

In addition, MidAmerican argued the change would increase customer equity because the current practice of charging RLV to the converting customer provides a financial benefit to remaining customers that is paid for solely by the converting

customer. Eliminating RLV means that the converting customer only pays direct conversion costs, leaving other customers indifferent to the transaction. Finally, MidAmerican noted that eliminating RLV would reduce administrative costs.

The Board will approve the proposed tariff. However, the Board notes that this approval only relates to a customer's conversion from an overhead to an underground line. RLV is not eliminated with respect to leased overhead street lighting or other services not specifically addressed in TF-03-196.

IT IS THEREFORE ORDERED:

Tariff filing TF-03-196 is approved, subject to complaint or investigation, effective July 14, 2003.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Margaret Munson
Executive Secretary, Deputy

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 10th day of July, 2003.